



"Friday Letter"

To the Board of Directors

August 31, 2012

From: Rick Howard, General Manager

General Manager/Administration:

- ✓ Happy Labor Day to all! I will be heading to Burbank and then to San Diego this weekend to visit my family and my kids. As always, I am available by email and phone.
- ✓ As you know, we closed our financing on Tuesday August 28, 2012. The \$14.1M in bond proceeds has been deposited into the DBPFA account with the Trustee – Deutsche Bank. I have sent to you under separate cover the confirmation of the deposit being made in our name at Deutsche.
- ✓ On Wednesday, Dina, Lesley, and I met with our point person at Deutsche. It was an extremely productive meeting as we were provided the details and necessary processes that we need to follow for progress pays and reimbursements.
- ✓ Staying on the same subject, I will be convening the Investment Subcommittee in the next few weeks to discuss the best methods of investing the funds on our behalf. As some of the monies will not be spent for a year or more we will be in a position to transfer some of the funds into a higher yield account. As with all public funds, there are very strict limitations on the types of investment vehicles we are able to utilize.
- ✓ As a part of the new VOIP phone system, AT&T was out this week installing the additional DSL lines necessary to separate voice from data. We remain on schedule for an end of September roll out of the new system.
- ✓ The iPads have all arrived and we are rolling the out to Board members as their time allows. We have been working with the new iAnnotate program internally and I think that once everyone is up to speed with it the agenda process will become much easier and the ability to reference information at Board meetings will become seamless. Stay tuned!
- ✓ Sue is celebrated her 2nd Anniversary with the District. Congratulations Sue!

Water and Wastewater Services

- ✓ The Bio solids project continues. Staff is going to be proposing to the Board that we move the project to its completion at this time instead of phasing it in over time. As the bond included funding for this project and as it is currently under construction, the team believes that it prudent to move the project to its completion.
- ✓ The contractor for the Bo Solids project needed to power down Plant 2 last week for an approximate four (4) hour period in order to tie the new electrical into the existing power network. The shut down went smoothly and there were no major issues.

Financial Services

- ✓ Finance is completing the QuickBooks to Caselle conversion. It is a time consuming and manual process that once complete, will have all of our financials on the new system.
- ✓ Dina and Lesley are developing processes and procedures to track the project funds related to the capital financed projects.

Parks and Landscape Services

- ✓ Work on the Clipper Drive Landscape Enhancement Project continues to move forward.
- ✓ Fairin continues to meet twice weekly with ValleyCrest Landscape in order to continue to address service and contractual issues. While progress is being made, there continue to be a number of obstacles that need to be overcome. I will continue to keep you posted on this subject.
- ✓ Tuesday morning, Dina, Fairin and I went to the County Public Works Department to begin substantive discussion towards the eventual transfer of both Regatta and Slifer Parks to the District. If all goes according to plan, the transfer should take place at the end of this fiscal year. The devil is in the details, however, but that is the plan at this time.

Important Dates

Upcoming important dates are as follows:

- CSD Regular Board Meeting – Wednesday, September 5, 2012 at 7:00p.m.
- Neumiller & Beardslee Open House – Thursday, September 13, 2012 from 4:00-7:00p.m.